VZCZCXRO7945 RR RUEHRG DE RUEHBR #1315/01 3172140 ZNY CCCCC ZZH R 132140Z NOV 09 FM AMEMBASSY BRASILIA TO RUEHC/SECSTATE WASHDC 5354 INFO RUEHBO/AMEMBASSY BOGOTA 0024 RUEHCV/AMEMBASSY CARACAS 4429 RUEHQT/AMEMBASSY QUITO 0001 RUEHRG/AMCONSUL RECIFE 0090 RUEHRI/AMCONSUL RIO DE JANEIRO 0018 RUEHSO/AMCONSUL SAO PAULO 0059 RUCPDOC/DEPT OF COMMERCE WASHDC RUEKJCS/JOINT STAFF WASHDC RUEKJCS/SECDEF WASHDC RHMFISS/CDR USSOUTHCOM MIAMI FL

C O N F I D E N T I A L SECTION 01 OF 02 BRASILIA 001315

SIPDIS

STATE FOR WHA, PM AND T

E.O. 12958: DECL: 11/11/2019

TAGS: PREL ETTC MASS BR SUBJECT: CHARGE DISCUSSES SECURITY COOPERATION, FIGHTER SALE AND COLOMBIA WITH MOD JOBIM

REF: A. IIR 6 809 0087 10 ¶B. IIR 6 809 0084 10 ¶C. IIR 6 809 0079 10

Classified By: Charge d'Affaires, a.i. Lisa Kubiske. Reason: 1.4(d)

- 11. (C) SUMMARY. In a November 9 meeting, Charge Kubiske and Minister of Defense Nelson Jobim discussed next steps in the United States-Brazil bilateral security relationship, the potential sale of U.S.-origin fighter aircraft and regional security. Jobim showed strong interest in furthering security cooperation by signing the Defense Cooperation as soon as possible and completing an information security agreement. Jobim told Charge that there would not be any decision on fighters until sometime after his return from international travel on November 23 and said that capability, technology transfer, benefit to Brazil's industrial capacity and price would be the criteria for decision. He offered no signs of encouragement that the U.S. bid would be chosen.
- 12. (C) Speaking of regional security issues, Jobim all but acknowledged presence of the FARC in Venezuela, offered a suggestion for building Colombia-Ecuador confidence along their border, and a possible border-monitoring arrangement for combating the drug flow between Colombia and Brazil. Jobim indicated concern about the contents of an USAF budget document which linked U.S. military access to bases in Colombia with "unfriendly governments" as evidence of a lack of understanding of Latin America. He believed that recent inflammatory statements from Presidents Uribe and Chavez are aimed at domestic constituencies on the eve of upcoming elections, and called a potential Uribe run for a third term a terrible precedent for Bolivarian governments in the region. Presidential Foreign Policy Advisor Marco Aurelio Garcia's public offer, only two days later, to monitor border activities as a way to reduce tensions between Colombia and Venezuela shows Jobim's influence. Despite the GOB's tendency to blame Colombia for current tensions, its efforts to maintain peace are sincere and should be encouraged. END SUMMARY.

Structuring the U.S.-Brazil Security Relationship

¶3. (C) Brazilian Defense Minister Jobim expressed support for moving forward with U.S.-Brazil security cooperation, first by signing the Defense Cooperation Agreement (DCA), then moving on to other arrangements, including a information security agreement (GSOMIA). Jobim said he would see SecDef

Gates at the International Security Forum, November 20 in Halifax and could sign the DCA there, if it were ready. If not, Jobim would like to sign before the December 10-11 Bilateral Working Group. Jobim also favored moving forward with an information security agreement, saying he would be discussing the issue with the Ministry for External Relations (MRE). (Note: Polmiloff discussed the information sharing agreement with MRE pol-mil advisor Marcos Pinta Gama last week. Pinta Gama was interested in moving forward as well and planned to consult with the MOD. End note.)

FX-2 Fighter Competition

14. (C) Asked about the Fx-2 competition, Minister Jobim repeated previous statements that the FX2 fighter competition would be based on capability, technology transfer, benefit to Brazil's industrial capacity and price. Technology transfer will be evaluated in terms of how it will contribute to Brazil's future industrial capacity. The Charge reiterated and deepened advocacy points in each of these areas, calling a decision to select the U.S. bid an accelerator for an already growing U.S.-Brazil military and commercial relationship. Jobim informed the Charge that he and President Lula will review the Brazilian Air Force, s technical analysis of the three competing bids after he returns from international travel November 23. Jobim will then make a recommendation to President Lula. Lula, in turn, will make a decision and inform the National Defense Council, for its concurrence.

BRASILIA 00001315 002 OF 002

The U.S.-Colombia DCA and Regional Implications

- 15. (C) Jobim said he was aware of the purpose of the Agreement giving the United States access to Colombian bases, but the availability of an Air Force budget memo over the internet, which cited "unfriendly countries" in the area had complicated matters. He said the document showed "a complete lack of understanding" of Latin America and said he had had to discuss the issue with the President to urge "moderation" from Lula.
- 16. (C) Jobim then went into a lengthy discussion of security in the Andean region, including Colombia-Brazil, Colombia-Venezuela and Colombia-Ecuador dimensions with Colombia at the center of the region's potential instability. He noted that both Presidents Uribe and Chavez have been making statements aimed at domestic constituencies that have contributed to tensions between them. Jobim also was critical of Uribe seeking a third term, a move which he thought set a bad precedent for the "Bolivarists." Jobim stressed Brazil's "moderate approach" and willingness to build confidence, in particular by providing aerial surveillance of border regions and by sponsoring exchanges of information on military movements in border areas. Asked about the presence of the FARC in Venezuela, Jobim said that, were he to acknowledge its presence there "it would ruin Brazil,s ability to mediate."
- 17. (C) COMMENT. Minister Jobim was eager to discuss security agreements and animated about the regional issues, but was clearly not comfortable talking about the FX-2 competition. While he has been prominent in the press in recent days saying that "past problems" with USG "tech transfer" (in reality export licensing) cases undermined confidence in USG assurances about the Super Hornet sale, he did not raise this concern with Charge and avoided the opportunity to discuss any lingering concerns he might have. In discussing the eventual FX-2 decision, he tried to downplay the importance of price but instead highlighted contributions to Brazilian industrial capacity. Given that the Boeing offer would integrate Brazilian companies with Boeing,s global business and thus offers excellent potential

for long-term economic gain, this should be good news, and we pointed that out. However, President Lula may choose a different means of evaluation. Brazil's 2008 Defense Strategy requires that purchase of foreign made aircraft be made only if such purchase will lead to indigenous production of more advanced aircraft. Should the political goal that Brazil should someday export fighters to its neighbors -- even if market conditions make this possibility remote -- trump Brazilian Air Force analysis of the aircraft and real economic possibilities, Lula and Jobim will most likely favor the French or Swedish offers, both of which highlight the possibility of export production.

18. (C) COMMENT CONTINUED. Within two days of the Charge's discussion with Jobim, Presidential Advisor Marco Aurelio Garcia went public with Brazil's willingness to help ease Colombia-Venezuela tensions through border monitoring, including aerial surveillance. This announcement shows Jobim's closeness to Lula on security issues and once again highlights Brazil's desire to be the continent's peacemaker. Although the GOB,s continued questioning of the intent of the U.S.-Colombia DCA and insistence on painting Uribe as the primary source of Andean tensions may limit the GOB,s effectiveness, we believe the GOB genuinely seeks to reduce tensions, and we should encourage these efforts. KUBISKE